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**Statement of Environment Northeast before the  
Massachusetts Advanced Biofuels Task Force**

**January 17, 2008**

Thank you for the opportunity to testify before the task force today. I am Jeremy McDiarmid, staff attorney at Environment Northeast. Environment Northeast (“ENE”) is a nonprofit research and advocacy organization focusing on the Northeastern United States and Eastern Canada. Our mission is to address large-scale environmental challenges that threaten regional ecosystems, human health, or the management of significant natural resources. We use policy analysis, collaborative problem solving, and advocacy to advance the environmental and economic sustainability of the region.

Massachusetts stands poised to become a leader in the regional development of a robust biofuels industry that produces home-grown fuels that reduce our dependence on fossil fuels, make ourselves more energy independent, create local jobs, and significantly reduce the emission of greenhouse gases. We look forward to working with the Task Force as it develops specific policy recommendations.

## Low Carbon Fuels Standard

As a state and region, our ultimate goal should be a comprehensive, regional low carbon fuel standard (“LCFS”). Like California, the northeast has a tremendous opportunity to significantly reduce the carbon intensity of its transportation fuels, leading to corresponding reductions in greenhouse gas emissions. Massachusetts should lead the northeast region to commit to significant reduction in GHG emissions in its liquid fuels. This will put us on the correct path to tackle one of the most difficult sources of global warming pollution.

A low-carbon fuel standard also represents an opportunity for Massachusetts to take a leadership role in developing advanced biofuels. We should be harnessing our research abilities and entrepreneurial spirit to develop and commercialize the next wave of renewable biofuels—sources of energy that (1) create local jobs; (2) increase energy independence; (3) promote fuel diversity; and (4) significantly reduce GHG emissions.

The time for a regional low carbon fuel standard is now. There is no reason for Massachusetts to wait in making the commitment to lead the regional effort to a low carbon fuel standard. Any policies that the Task Force recommends should be consistent with the adoption of a low carbon fuel standard, including tax credits and blending requirements proposed in current legislation (H. 4364).

## House Bill 4364

If Massachusetts decides to make interim steps towards a low carbon fuel standard, these steps must carry immediate GHG benefits. We don’t need policies that support

the development of biofuels; we need policies that support the development low-carbon biofuels. House Bill 4363, An Act Furthering the Biofuels Clean Energy Sector, would create a tax incentive for cellulosic biofuels and would create a biofuels blending requirement for diesel and home heating oil. A modified version of the cellulosic tax credit is also in the Senate energy bill that passed last week. Such market influencing policies must require significant climate benefits. Moreover, Massachusetts should ensure that all state policies work consistently with policymaking at the federal level.

For these reasons, we believe that H.4364 should track the greenhouse gas emission limits set out in the recently passed federal renewable fuels standard (H.R. 6). Thus, to qualify for a cellulosic tax credit, a fuel must achieve, at a minimum, a 60% lifecycle greenhouse gas emission reduction; to be eligible for the diesel and heating oil blending requirements, a biodiesel fuel must achieve, at a minimum, a 50% reduction in lifecycle GHG emissions. Consistency with the federal standards will ensure that we nurture a clean, low-carbon biofuels industry that can compete in the national market.

How one accounts for lifecycle GHG emissions is critical. It is essential that any accounting of lifecycle GHG emissions take into account emissions that result from direct and indirect changes in land use that are the result of biofuels production. As part of California's effort to develop a low carbon fuel standard, the California Air Resources Board ("CARB") is developing lifecycle GHG emissions tool that will account for land use changes; the U.S. EPA is working on a similarly inclusive model in conjunction with the federal RFS. We believe that Massachusetts should adopt one of these two models, whichever provides for greater accountability of land use decisions that lead to greater GHG emissions.

Interim steps that stimulate the local economy for biofuels may be a helpful tool in paving the way for a low carbon fuel standard. Nevertheless, Massachusetts should not lose sight of the ultimate goal—energy consumption that is more efficient and less carbon intensive.

Again, thank you for the opportunity to testify here today. We look forward to working with the Task Force as well as with the Administration and Legislature to ensure that the future of biofuels in Massachusetts and the northeast brings economic, climate, and energy independence benefits.